

# what about allowances?

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## Questions and Answers

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## PREFACE

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*This pamphlet is designed to acquaint new employees hired for duty overseas with the allowances that they are to receive, as well as to aid others who should know the general principles governing the allowance benefits provided for employees in foreign areas.*

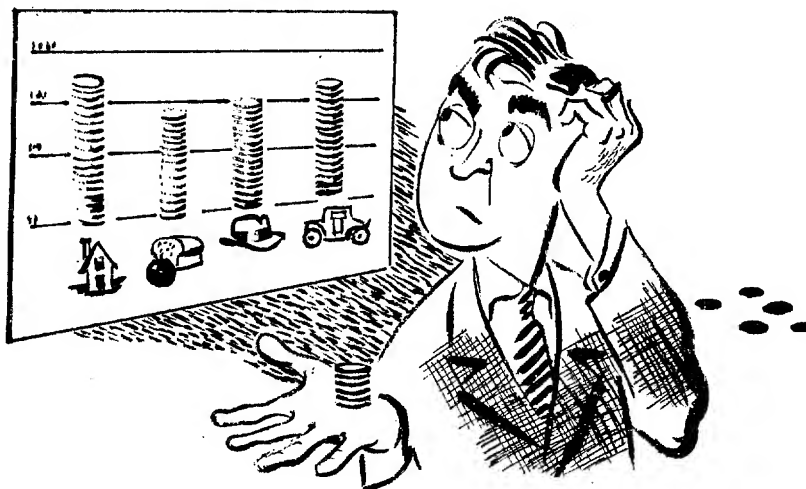
*It is not intended that this pamphlet be a substitute for the Standardized Government Civilian Allowance Regulations (Foreign Areas), the Standardized Post Differential Regulations, or the Foreign Service Manual. Only general information is provided. Reference to the Regulations, the Manual, or individual agency instructions should be made in every case to determine eligibility for a particular allowance.*

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## GENERAL



*Q . . . What allowances and other payments, in addition to base salary, are provided for Foreign Service employees?*

*A . . . All allowances described on subsequent pages are payable to eligible employees of the Foreign Service.*

*Q . . . What allowances and other payments are provided, in addition to base salary, for employees of other agencies?*

*A . . . As a general rule only the quarters and post allowances (including special post allowance), travel per diem, and post differential are paid by other agencies. Occasionally, transfer, separation, representation, temporary lodging allowances, official residence allotments, emergency storage payments, and special allowances are paid by other agencies.*

*Q . . . How do Foreign Service employees apply for allowances?*

*A . . . Immediately following arrival at a new post, officers and employees of the Foreign Service eligible for allowances must submit to the principal or administrative officer at the post applications for quarters, post, temporary lodging, and separation allowances on form FS-335. Submission of this form is required periodically thereafter according to the instructions contained in the Manual of Operations. Post differentials are paid without application. Requests for emergency storage payments are made on form FS-445.*

Q . . . *How do employees of other agencies apply for allowances?*

A . . . Employees of other agencies should consult their own personnel department for instructions.

Q . . . *Do Foreign Service employees in Government owned, leased, or requisitioned quarters have to complete form FS-335?*

A . . . Yes. This is required so that the Department may have complete information on the occupancy of all quarters at the post.

Q . . . *Are the allowances and other payments taxable?*

A . . . Only the post differential is subject to Federal income taxes. All other payments and allowances are not taxable.

Q . . . *Are the allowances and other payments subject to retirement deductions?*

A . . . No.

Q . . . *If an employee is temporarily reclassified, does his temporary grade and salary govern the amount of allowance paid?*

A . . . Yes.

Q . . . *Are the allowances and other payments made in addition to base salary paid in U. S. dollars or foreign currency?*

A . . . The separation allowance is always paid in U. S. dollars. It is required that the other allowances be paid in foreign currency when surplus credits exist and there is an agreement with the foreign country permitting their use for this purpose. In other circumstances, allowances may or may not be paid in local currency depending on conditions at the post and governing disbursing regulations.

Q . . . *Are there allowances other than those discussed on the following pages?*

A . . . In addition to the special post allowances described in the sections relating to quarters allowances and post allowances, payments may also be made to alleviate individual financial hardships not otherwise covered. Such special allowances must be approved by the Secretary of State upon a determination that unusual circumstances exist, as when excessive severance payments were required by the Chinese Government when servants were discharged by departing employees.

## **POST ALLOWANCE**



Q . . . *What is the "post allowance"?*

A . . . This is a payment made to employees who are assigned to foreign posts where the cost of living (other than quarters costs) is substantially higher than that in Washington, D. C.

Q . . . *Is the post allowance the same as the "cost-of-living allowance"?*

A . . . Yes, it is sometimes referred to as the cost-of-living allowance; however, from a legal standpoint, transfer and separation allowances are also cost-of-living allowances.

Q . . . *Why does the Government provide the post allowances?*

A . . . The Government provides it so that employees stationed at high-cost posts will not be required to spend a larger part of their base salary than they would spend in Washington for current living expenses.

Q . . . *Who is eligible to receive this allowance?*

A . . . All United States citizen civilian employees of the Government (with a few minor exceptions), including resident Staff employees of the Department of State, stationed at high-cost posts in foreign areas are eligible to receive this allowance. Some United States citizens, who normally live in the country where they are assigned, may be precluded from eligibility by regulations of the employing agency.

Q . . . *When does this allowance begin?*

A . . . It begins upon first arrival of the employee at the post or, if the employee is officially delayed, upon arrival of his family.

Q . . . *What governs the amount of this allowance?*

A . . . The amount varies depending upon living costs at the post, salary, and family status. It is increased slightly according to the number of children. Except for a few special cases described below, posts are grouped into 15 classes according to relative cost of living as compared with Washington, D.C., and personnel into 17 groups according to salary. One can determine the exact rate payable from section 9.4 a, b, and c of the Standardized Allowance Regulations (Foreign Areas).

In a few special cases where the rates appearing in section 9.4 a and b are inappropriate, a schedule of rates is individually designed to suit the conditions at a particular post. These rates appear in section 9.5 of the Standardized Allowance Regulations and are known as special post allowances.

Q . . . *What do the different classes of post allowance represent?*

A . . . Each class represents a percentage increase over the cost of living in Washington. Where costs are 10 percent higher than in Washington, an employee would need an allowance equal to 10 percent of the money he would ordinarily spend for current living. The rates do not represent a full 10 percent increase over base salary because the percentage is applied only to "spendable income," i. e. income exclusive of taxes, savings, insurance, etc.

Q . . . *How are the rates determined?*

A . . . The cost of living, exclusive of housing costs, at the post is compared with Washington costs, taking into account the additional expenses required because of climatic and health conditions and local customs. A percentage is obtained which indicates how much higher or lower than Washington the costs at the posts average. These percentages are multiplied by an estimate of the amount of salary remaining after taxes, etc., are deducted to obtain the annual allowance rates. The prices shown in form DSP-23, Retail Price Schedule, are the primary basis for the calculations.

Q . . . *Is the post allowance higher than it otherwise would be at notably unhealthful posts because of increased costs for medical attention?*



A . . . Yes. Medical expenses are one of the elements of cost of living at a post. Not only is the cost of individual visits to a doctor considered, but also the greater frequency of such visits.

Q . . . *Does the post allowance take into consideration educational costs for children?*

A . . . No. However, Congress has been requested to pass legislation which will permit payment of an education allowance.

Q . . . *In determining post allowances, is consideration given to additional costs peculiar to those employees having representational responsibilities, i. e. club dues, extra social activity, etc?*

A . . . No. The post allowance is based on normal living costs for the "average" government employee, and costs peculiar to only one segment of the United States Government personnel at the post are not considered.

Q . . . *Is the post allowance always increased when prices at the post go up?*

A . . . Not necessarily. If Washington prices increase as rapidly, there will be no change in the post allowance. If Washington prices increase at a rate in excess of the increase at the post, the post allowance may be reduced.

Q . . . *When foreign currency changes in value, is the post allowance changed proportionately?*

A . . . No. Since all expenses, including imports and commissary purchases paid for in United States dollars, are considered in determining costs at a post, changes in the cost-of-living allowance seldom correspond to changes in currency value. Furthermore, since the post allowance covers not the entire cost of living but only excess costs over Washington, the percentage change in allowance will differ considerably from the percentage change in currency value.

Q . . . *When are post-allowance rates changed?*

A . . . The rates are reviewed at least once or twice a year, when form DSP-23 is submitted, and are subject to change at that time. Rates are also reexamined when exchange rates fluctuate or when interim information is received about the post regarding changes in living costs.

Q . . . *If costs at the post are lower than in Washington and no*

*allowance is paid, is any deduction made from the employee's salary?*

A . . . No. Persons not receiving a post allowance are likely to be better off, therefore, than those who do.

*Q . . . Does the amount of post allowance vary according to an employee's budget?*

A . . . No. The post allowance depends only upon the cost of living at the post, the employee's salary, and family status.

*Q . . . Do employees who live in hotels receive the same post allowance as those having other living arrangements?*

A . . . Yes.

*Q . . . Should financial commitments in the United States be influenced by the size of the post allowance at the time of assignment to a post?*

A . . . No. Since this allowance is intended to cover only those costs at the post in excess of those in Washington, the entire post allowance will be needed to live at the post.

*Q . . . How is this allowance paid?*

A . . . The appropriate annual rate from the table of rates is divided by 26, and this amount is paid biweekly to the employee when the employee receives his salary.

*Q . . . Are other allowances payable while an employee receives a post allowance?*

A . . . Yes.

*Q . . . Is the post allowance ever paid concurrently with travel per diem?*

A . . . Yes. For instance, when an employee is traveling under official orders within the country of his assignment he may receive per diem while in travel status, as well as the post allowance applicable to his post of assignment. If he travels outside the country of assignment under official orders and his family remains in the country, both payments are made; however, if his family accompanies him outside the country of assignment, the post allowance is not paid. Travel per diem, in any event, will not necessarily be paid at the maximum rate.

## QUARTERS ALLOWANCE



Q . . . *What is the "quarters allowance"?*

A . . . This is a payment made to an officer or employee of the Government stationed abroad in lieu of free Government quarters. It covers rent, heat, light, and fuel (including gas and electricity) for himself and his family.

Q . . . *Why does the Government provide quarters allowances for employees overseas?*

A . . . The Government has found it advantageous to provide either Government housing or quarters allowances in lieu thereof in order that employees may be able to carry out their official duties properly regardless of housing shortages and other relevant adverse local conditions and in order that they may appear locally representative of American standards of living, efficiency, and activity.

Q . . . *Who is eligible to receive this allowance?*

A . . . All United States citizen civilian employees of the Government (with a few minor exceptions) stationed abroad for whom free Government quarters are not available receive this allowance upon first arrival at the post or at the cessation of the temporary lodging allowance. Most United States citizens employed locally, however, including resident Staff employees of the State Department, are precluded from eligibility by regulations of the employing agency.

Q . . . *What is the amount of this allowance?*

A . . . The amount varies depending on living costs at the post, grade, and family status. Except for a few special cases described below, posts are grouped into seven classes according to quarters expenditures, and employees into five groups according to grade. At all posts a maximum annual rate of \$6,000 is payable to diplomatic chiefs of mission. The table of maximum rates is contained in section 9.3 of the Standardized Allowance Regulations. The quarters allowance consists of the actual amount of the employee's estimate of annual expenses for rent, heat, light, and fuel, or the maximum rate, whichever is the smaller.

In a few special cases where the rates appearing in section 9.3 are inappropriate, a schedule of rates is individually designed to suit the conditions at a particular post. These rates appear in section 9.5 of the Standardized Allowance Regulations and are known as special post allowances.

Q . . . *How are the maximum quarters-allowance rates determined?*

A . . . The maximum rates are intended to cover customary expenses of personnel in adequate but not elaborate or expensive quarters. The quarters information reported by Foreign Service personnel on form FS-335, Application for Payment of Foreign Service Allowances, and that reported for personnel of other Government agencies on form DSP-29, Summary of Quarters Costs, are used as the bases for calculations.

Q . . . *If both husband and wife are employed by the Government, do both receive full allowances?*

A . . . No. The maximum "with family" rate for the employee in the higher grade or salary group would apply. Either one or the other or both may receive a quarters allowance as long as the total amount does not exceed the maximum.

Q . . . *If a wife is employed, but not by the Government, what maximum allowance is payable to the husband who is employed by the Government?*

A . . . The maximum "with family" rate applicable to the husband's grade or salary classification would be payable.

Q . . . *If the husband is drawing a quarters allowance from the U.S. military service or is employed outside the Government, what*

*maximum rate is payable to a wife without other family at the post who is employed by the Government?*

A . . . One-half the maximum "with family" rate applicable to the wife's grade or salary classification would apply.

*Q . . . If a husband is not employed but is capable of self-support, what maximum rate is payable to the wife having no other family at the post who is employed by the Government?*

A . . . One-half the maximum "with family" rate applicable to the wife's grade or salary classification would apply.

*Q . . . If the mother only is employed by the Government, does the fact that her children reside with her at the post qualify her automatically for the "with family" quarters allowance rate?*

A . . . No. She must show that they are dependent upon her for support.

*Q . . . How does an employee estimate his annual quarters expenses upon initial occupancy?*

A . . . The rental rate is obtained from the rental or lease agreement. The utilities rates are derived from the previous tenant's experiences, or the experience of other employees in comparable quarters, or other *bona fide* bases.

*Q . . . When an employee owns his own quarters, how does he estimate his annual rental expenses?*

A . . . An amount equal to one-tenth of the employee's purchase price of such quarters is considered to be the annual rental rate.

*Q . . . When employees share quarters, how are quarters allowances determined?*

A . . . The allowance of each employee is limited to his share of the joint expenses not in excess of the maximum for which he is eligible.

*Q . . . What type of quarters is customary for employees abroad?*

A . . . Employees, especially with families, usually occupy private apartments or houses. About two-thirds rent furnished quarters. Nearly one-third of employees without families share quarters.

*Q . . . May an employee draw a quarters allowance for more than one house or apartment?*

A . . . No.

Q . . . *When are quarters-allowance maximum rates changed?*

A . . . The maximum rates are reviewed at least once or twice a year, when forms FS-335 and DSP-29 are submitted, and they are subject to change at that time. Rates are also reexamined when exchange rates fluctuate or when interim information is received about the post regarding changes in quarters costs.

Q . . . *How is this allowance paid?*

A . . . The estimated annual quarters cost or the maximum annual rate, whichever is smaller, is divided by 26, and this amount is paid biweekly to the employee when he receives his salary.

Q . . . *If an employee's housing costs go up, does the quarters allowance increase?*

A . . . Yes, within applicable maximums. Maximums are not increased, however, unless a substantial number of employees at a post are actually undergoing considerable financial hardship.

Q . . . *When an employee pays a combined rate for room and board, how does he estimate his annual rental expenses?*

A . . . He should consult with his landlord regarding the amount chargeable to room rent. In no case, however, may the estimate exceed 60 percent of the combined rate.

Q . . . *When quarters costs change, what must an employee do?*

A . . . Employees of the Foreign Service must submit revised form FS-335. Revised form DSP-29 should be submitted by other agencies. Even if no change is made in the amount of allowances, revised forms should be submitted so that current quarters information is available in the Department.

## **TEMPORARY LODGING**



Q . . . *What is the "temporary lodging allowance"?*

A . . . This is a living-quarters payment made to an officer or employee of the Foreign Service for temporary quarters for himself and his family upon first arrival at a post.

Q . . . *Who is eligible to receive this allowance?*

A . . . Officers and employees of the Foreign Service are eligible and also employees of some other Government agencies when free quarters are not available and no per diem is being paid.

Q . . . *For how long is this allowance payable?*

A . . . This allowance may be paid from the date of the employee's arrival at the post (or the arrival of his family if he was detailed en route and the family preceded him to the post) or from the date expenditures began, whichever is earlier, until permanent quarters are occupied or for three months, whichever is the shorter period. The allowance is not paid concurrently with the quarters allowance.

Q . . . *What is the amount of this allowance?*

A . . . Posts are grouped into 10 classes according to lodging costs. The basic amount for each post classification ranges from \$1 to \$10 a day. The table of rates is contained in section 9.2 of the Standardized Allowance Regulations. The officer or employee and each

member of his family 11 years of age or over receive the basic amount. Half as much is paid for each member of the family under 11 years of age.

Q . . . *How are the temporary-lodging rates determined?*

A . . . The basic-allowance rate is intended to cover the cost of a single room and bath without meals but including taxes, heat, and obligatory service charges at hotels ordinarily used by Government employees at a particular post. The hotel rates shown in form DSP-23, Retail Price Schedule, are used as the basis of the calculations.

Q . . . *Does the temporary lodging rate cover meals when they are included in the quoted hotel rate?*

A . . . No. The rate is intended to cover room rent only.

Q . . . *What allowance is paid when actual expenses differ from the amounts payable according to the table of rates for a given post classification?*

A . . . The amount paid is a flat rate, as listed in the table of rates. This is in contrast to the regular quarters allowance, which is on an actual expense basis.

Q . . . *When are temporary-lodging rates changed?*

A . . . The rates are reviewed at least once or twice a year, when form DSP-23 is submitted, and are subject to change at that time. Rates may also be changed when exchange rates fluctuate or when interim information is received from the Foreign Service inspectors or from the post itself regarding changes in hotel rates.

Q . . . *Are any other allowances payable while an employee receives temporary-lodging allowances?*

A . . . Yes. Employees may receive any other allowance payable at the post except quarters and travel per diem.

Q . . . *Can an employee draw the allowance after giving up his permanent quarters at the post and awaiting transportation to another post or to Washington?*

A . . . No.

Q . . . *How is this allowance paid?*

A . . . This allowance is paid in biweekly amounts along with salary.



## **POST DIFFERENTIAL**



Q . . . *What is a "post differential"?*

A . . . This is a percentage of base salary payable to employees assigned to posts where extraordinarily difficult or notably unhealthful conditions or excessive physical hardships exist.

Q . . . *Why does the Government provide post differentials?*

A . . . Post differentials are recruitment incentives to assist in the staffing of undesirable posts.

Q . . . *Who is eligible to receive a post differential?*

A . . . All United States citizen civilian employees of the Government (with a few minor exceptions), assigned to differential posts, who are not Foreign Service officers or Foreign Service Reserve officers are eligible. Congress has been requested to authorize inclusion of the last two groups also. Most United States citizens employed locally, including resident Staff employees of the Department of State, are precluded from eligibility by determination of the employing agency.

Q . . . *What is the amount of the post differential?*

A . . . Posts characterized by a substantial degree of hardship are grouped into four classes depending upon the degree of hardship

involved, if any. Differentials of 10, 15, 20, or 25 percent of base salary are paid to eligible employees depending on the post's rating. At most posts no differential is paid.

*Q . . . How is a post's rating for post differential determined?*

A . . . Each post is rated by means of a carefully developed point score system based on the criteria of extraordinarily difficult living conditions, excessive physical hardship, and notably unhealthful conditions. Environmental conditions reported on form DSP-36 and the post report on Foreign Service posts provide the basis of this rating.

*Q . . . What are considered "extraordinarily difficult living conditions"?*

A . . . Under this heading are included inadequate housing accommodations, lack of cultural and recreational facilities, geographic isolation, inadequate transportation facilities, and lack of food and consumer services.

*Q . . . What are considered "excessive physical hardships"?*

A . . . Under this heading are included adverse climate and altitude and dangerous conditions affecting life, mental health, or physical well-being.

*Q . . . What are considered "notably unhealthful conditions"?*

A . . . Under this heading are included the incidence of disease and epidemics, lack of public sanitation and health-control measures, and inadequacy of medical and hospital facilities.

*Q . . . Are high prices a factor in determining a post's differential rating?*

A . . . No. The differential is based only on environmental conditions. Prices are considered in the classification for post and quarters allowances.

*Q . . . How is the differential paid?*

A . . . The differential is paid in biweekly amounts along with base salary.

*Q . . . Is a differential paid when an employee is detailed, rather than transferred, to a hardship post?*

A . . . Yes, subject to the condition that he is at the post to perform

duties normally carried on at the post. Thus, a visit to a hardship post on a survey trip would not entitle the visitor to a differential.

*Q . . . Where can I find other regulations governing the payment of the post differential?*

*A . . . Sections 370-383, part IV, vol. I, of the Foreign Service Manual govern the Foreign Service and certain agencies making appointments in the Foreign Service. Other agencies are covered by the Standardized Post Differential Regulations, issued by the Department of State.*

*Q . . . When are posts' ratings for salary differentials changed?*

*A . . . Ratings are reviewed at least once a year, when revisions of form DSP-36 are submitted, and are subject to change at that time. Ratings are also reexamined whenever information is received regarding changes in environmental conditions.*

## **SEPARATION ALLOWANCE**



*Q . . . What is the "separation allowance"?*

*A . . . This is a payment made to an officer or employee who is compelled to maintain his wife or minor children outside the country of his assignment, by reason of dangerous, unhealthful, or excessively adverse living conditions at the foreign post, or for the convenience of the Government.*

Q . . . *Why does the Government provide separation allowances?*

A . . . The Government provides this allowance to assist an employee to meet the additional expense when he is required to maintain separate households for himself and for his family.

Q . . . *Who is eligible to receive separation allowances?*

A . . . Only those employees who are forced to maintain their wives or minor children outside the country of assignment for reasons mentioned above are eligible. Except for the Department of Defense and a few other agencies, most Federal agencies pay this allowance, but subject to strict eligibility requirements. In the Foreign Service, applications submitted on form FS-335 must have the approval of the post and be individually authorized by the Department.

Q . . . *What is the amount of this allowance?*

A . . . Annual rates ranging from \$1,209 to \$2,587 are payable according to size of family and salary of employee. The table of annual rates is contained in section 9.7 of the Standardized Allowance Regulations.

Q . . . *How are the annual separation-allowance rates determined?*

A . . . The rates are based upon a study of rental and subsistence costs in Washington, D.C., for maintaining the family of an employee in Washington.

Q . . . *What is meant by "dangerous living conditions"?*

A . . . Dangerous living conditions exist when it is necessary to evacuate or exclude families from an area on account of danger to life or property because of war, riots, earthquakes, epidemics, etc.

Q . . . *What is meant by "convenience of the Government"?*

A . . . This covers situations where an agency withholds authorization for the family to remain in or proceed to the employee's country of assignment. This is often the case for short-term assignments when the cost of transportation would be excessive, or where family-type housing is not available.

Q . . . *Does the necessity for educating children outside the country warrant the payment of a separation allowance?*

A . . . No. Although this is a factor in determining adverse living conditions at a post, separation caused primarily by this situation is not considered justification for a separation allowance.

Q . . . Does the classification of a post for post allowance affect the amount of separation allowance paid for the family of an employee assigned to that post?

A . . . No.

Q . . . Can an employee receive a separation allowance for minor children when his wife accompanies him to the post?

A . . . Yes, subject, of course, to the eligibility requirements.

Q . . . How is this allowance paid?

A . . . The appropriate annual rate from the table of rates is divided by 26, and the amount is paid biweekly to the employee when he receives his salary.

Q . . . Is this allowance payable when the wife or child has to have medical treatment outside the country of assignment?

A . . . Only in rare cases, as in the case of prolonged illnesses when adequate medical or hospital facilities are not available at the post.

## TRAVEL PER DIEM



Q . . . What is "travel per diem"?

A . . . This is a payment to cover expenses incurred by Government employees traveling on official business.

*Q . . . Who is eligible to receive this payment?*

*A . . . All United States citizen civilian employees of the Government traveling on official business receive this payment. When authorized by law, the employing agency may pay travel per diem on behalf of the family of such employees.*

*Q . . . What is the amount of this payment?*

*A . . . Maximum basic rates for foreign localities range from \$6 to \$30 depending on costs in the area. The maximum basic rate for employees in travel status on vessels or airplanes or within the United States is \$9. The table of maximum rates is contained in appendix 1 of the Standardized Government Travel Regulations. The employee and, when authorized, each member of his family 11 years of age and over may receive the maximum basic rate. Half as much is paid for each member of the family under 11 years of age.*

*Each agency makes its own determination as to what rate is actually paid within these maximums.*

*Q . . . What rate is usually paid to employees of the Foreign Service?*

*A . . . The maximum rate is usually paid except in the case of travel by vessel, where \$5 is the customary basic rate, and travel by airplane, where \$6 is the customary basic rate. Less than the maximum rate is usually paid when the employee is on detail to another post for several weeks at a time or where other circumstances make maximum payment of per diem excessive.*

*Q . . . How are the maximum rates for foreign travel determined?*

*A . . . The rates are determined by the Bureau of the Budget on the basis of recommendations made by the Department of State. The Department of State bases its recommendations on hotel room rent, meals, tips, laundry costs, and various incidental expenses. The information contained in form DSP-23 is the basis of the calculations.*

*Q . . . If the Government provides partial subsistence, how is the rate adjusted?*

*A . . . Not less than one-fifth of the authorized per-diem rate will be deducted for each meal and/or lodging furnished without charge by a Government agency.*

*Q . . . How is travel per diem paid?*

*A . . . The payment is usually made upon submission of a voucher.*

## **REPRESENTATION ALLOWANCE**



*Q . . . What is the "representation allowance"?*

*A . . . This is a payment to defray the cost of official entertainment and the cost of wreaths, flowers, or other tokens presented abroad in accordance with local custom.*

*Q . . . Why does the Government provide this allowance?*

*A . . . The Government provides this allowance to reimburse key officers for expenses incurred because of their official capacity as representatives of the United States.*

*Q . . . Who is eligible to receive this allowance?*

*A . . . Those designated by their agencies as having responsibility for official entertainment or other forms of representation are eligible to receive this allowance. In the Foreign Service, specific amounts are allotted for chiefs of mission, ranking subordinates, and other counselors at diplomatic missions. Funds for other than such officers are made available in lump sums for distribution by the chief of mission or ranking subordinate. At consular posts, the lump-sum allotments are distributed by the principal officer to himself and other officers participating in representation activities.*

Q . . . *What is the amount of this allowance and how is it paid?*

A . . . The amount varies among posts. Within the allotments for this purpose, reimbursement is made upon presentation of vouchers for specific expenses.

Q . . . *How are the allotments for individual posts determined?*

A . . . There is an annual review of each post's requirements based upon previous expenses, current political and economic importance, size of the post, and cost of living at the post.

Q . . . *Are all representational expenses of employees reimbursed by the "representation allowance"?*

A . . . No. Funds are seldom sufficient to reimburse fully all the expenditures legitimately chargeable to the allotment.

Q . . . *Do all posts receive a representation allotment?*

A . . . All Foreign Service posts receive a representation allotment.

## **OFFICIAL RESIDENCE ALLOTMENT**



Q . . . *What is the "official residence allotment"?*

A . . . This allotment provides funds for reimbursing the princi-



pal officer at Foreign Service posts for unusual housekeeping expenses incurred in maintaining the official residence.

Q . . . *Why does the Government provide the official residence allotment?*

A . . . This allotment is intended to reimburse the principal officer for the cost of servant's wages, servant's maintenance, and household maintenance which is in excess of that which he would incur were he serving at the post in any other capacity.

Q . . . *Who is eligible to be paid from this allotment?*

A . . . Principal or acting principal officers at diplomatic missions and consulates may be paid from this allotment.

Q . . . *What is the amount of this allotment and how are payments made?*

A . . . The allotments vary among posts. Within these allotments, reimbursement is made upon presentation of vouchers for specific expenses. Certification is required that the expenses are in addition to "normal" expenses.

Q . . . *Are all unusual official residence expenses of principal officers reimbursed by the official residence allotment?*

A . . . No. Funds are seldom sufficient to reimburse fully all the expenditures legitimately chargeable to the allotment.

Q . . . *How are the allotments for individual posts determined?*

A . . . There is an annual review of each post's requirements based upon previous expenses, importance of the post, size and condition of the official residence, etc.

Q . . . *Do all posts receive an official residence allotment?*

A . . . All Foreign Service posts receive an official residence allotment.

## **EMERGENCY STORAGE PAYMENT**



*Q . . . What is the "emergency storage payment"?*

*A . . . This is a payment made to an employee for storage costs because of his assignment to a post where his furniture and effects cannot be taken or used because of emergency conditions.*

*Q . . . Who is eligible to receive this payment?*

*A . . . All personnel of the Foreign Service assigned to posts having unusual transportation or housing shortages or import or export restrictions, or where general civil disturbances exist or catastrophes have occurred, such as earthquakes, tidal waves, flood, fire, or pestilence.*

*Q . . . Is an emergency storage payment always made when an employee occupies furnished Government quarters?*

*A . . . No. Such a situation is not in itself considered an emergency condition. However, Congress has been requested to pass legislation authorizing the payments in such circumstances.*

*Q . . . Does the individual's personal emergency situation justify the granting of emergency storage payments?*

A . . . No. The emergency situation must apply to the post or to transit.

Q . . . *What is the amount of this payment?*

A . . . Payments are authorized by the Department upon application and approval of requests submitted by employees on form FS-445. Posts are not classified nor is a table of rates prescribed. The amount of this allowance is limited by the weight and volume of household goods specified by the Foreign Service travel regulations for a given employee.

Q . . . *How is this payment made?*

A . . . This payment is made upon the submission of a voucher as actual expenses are incurred.

## ***TRANSFER ALLOWANCE***



Q . . . *What is the "transfer allowance"?*

A . . . This is a payment made to an officer or employee for necessary expenses, not otherwise compensated for, incident to his transfer from one climatic zone to another.

Q . . . *Why does the Government provide transfer allowances?*

A . . . This allowance is provided to help offset some of the ex-

penses incurred by employees because of moving from one climatic zone to another. Every such transfer requires some additional purchases of suitable clothing and household furniture and alterations of electrical equipment, etc.

Q . . . *Who is eligible to receive this allowance?*

A . . . All Foreign Service employees and employees of some other agencies who are transferred between posts having substantially different climates receive this allowance.

Q . . . *What is the amount of this allowance?*

A . . . Posts are grouped into 3 zones according to climate, and employees into 2 salary classes.

Payments range from \$100 to \$200 depending on salary and family status and location of posts. No allowance is prescribed for intrazone transfers. The table of rates is contained in section 9.6 of the Standardized Allowance Regulations.

Q . . . *How are the transfer-allowance amounts determined?*

A . . . The amounts provided are token payments. They are intended not to cover the entire cost of interzone transfers but merely to aid in offsetting it.

Q . . . *How is this allowance paid?*

A . . . This allowance is a lump-sum payment made along with salary, or upon presentation of a voucher, following the employee's arrival at the new post.